

3521

2015-2016 Regular Sessions

I N A S S E M B L Y

January 23, 2015

Introduced by M. of A. ROBINSON, KEARNS, MOSLEY, SEPULVEDA, WEPRIN,
CAMARA, PERRY -- read once and referred to the Committee on Banks

AN ACT to amend the banking law, in relation to including credit unions
and federal credit unions within provisions regarding banking develop-
ment district program and providing for the repeal of certain
provisions upon expiration thereof

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEM-
BLY, DO ENACT AS FOLLOWS:

1 Section 1. Subdivision 5 of section 96-d of the banking law, as added
2 by chapter 526 of the laws of 1998, paragraph (a) as amended by chapter
3 328 of the laws of 1999, paragraph (b) as further amended by section 104
4 of part A of chapter 62 of the laws of 2011, is amended to read as
5 follows:
6 5. (a) Notwithstanding the provisions of subdivision two of section
7 two hundred thirty-seven of this chapter; for the purposes of this
8 section, paragraph c of subdivision two of section ten of the general
9 municipal law, subdivision six of section one hundred five of the state
10 finance law and section four hundred eighty-five-f of the real property
11 tax law, any reference to a bank, trust company or national bank shall
12 be deemed to include a savings bank, savings and loan association,
13 federal savings and loan association [or], federal savings bank, CREDIT
14 UNION OR FEDERAL CREDIT UNION; provided, however, that such provisions
15 of law do not grant a savings bank, savings and loan association, feder-
16 al savings and loan association [or], federal savings bank, A CREDIT
17 UNION OR A FEDERAL CREDIT UNION eligibility to accept municipal or
18 public funds or municipal or public moneys other than for the limited
19 purposes of the establishment of a branch in a banking development
20 district pursuant to this section. Any such municipal or public funds or
21 moneys shall be deposited only at the branch established pursuant to
22 this section, and any municipal funds or moneys may be deposited only by
23 the sponsoring municipality in which the branch and banking development

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets
[] is old law to be omitted.

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1 district are located; provided further that any such municipal or public
2 funds or moneys shall be subject to the same requirements which apply to
3 municipal or public funds or moneys deposited in a bank, trust company
4 or national bank and shall also be subject to the provisions of section
5 one hundred five of the state finance law or section ten of the general
6 municipal law relating to such deposits.

7 (b) Notwithstanding any other provision of law, the superintendent of
8 financial services shall promulgate rules and regulations to authorize
9 the participation of savings banks, savings and loan associations,
10 federal savings banks [and], federal savings and loan associations,
11 CREDIT UNIONS AND FEDERAL CREDIT UNIONS in the program established
12 pursuant to this section.

13 S 2. Subdivision 2 of section 451 of the banking law is amended by
14 adding a new paragraph (c-1) to read as follows:

15 (C-1) FOR THE PURPOSES OF SECTION NINETY-SIX-D OF THIS CHAPTER, THE
16 CREDIT UNION MAY INCLUDE IN ITS MEMBERSHIP ANY PERSON OR ORGANIZATION
17 LOCATED WITHIN A LOCAL COMMUNITY, NEIGHBORHOOD, OR RURAL DISTRICT WHERE
18 THERE IS A DEMONSTRATED NEED FOR BANKING SERVICES AS DETERMINED BY THE
19 SUPERINTENDENT.

20 S 3. This act shall take effect January 1, 2017; provided, however,
21 that the amendments to subdivision 2 of section 451 of the banking law
22 made by section two of this act shall expire and be deemed repealed on
23 the same date and in the same manner as section 4 of chapter 526 of the
24 laws of 1998, as amended; and provided, further, that the amendments to
25 subdivision 5 of section 96-d of the banking law made by section one of
26 this act shall not affect the repeal of such subdivision and shall be
27 deemed to be repealed therewith as provided in section 4 of chapter 526
28 of the laws of 1998; and provided, however, that any branch established
29 prior to the expiration and repeal of the provisions of this act by a
30 credit union or federal credit union in a banking development district
31 pursuant to this act shall continue to operate in accordance with the
32 provisions of the banking law as amended by this act and remain eligible
33 for all the rights and privileges authorized by this act.